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Financing of the United Nations Interim Administration Mission in Kosovo

Report of the Fifth Committee

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I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 133 appears in the report of the Committee contained in document A/55/663.

2. The Fifth Committee resumed its consideration of the item at its 58th, 59th and 67th meetings, on 7, 8 and 25 May 2001. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/55/SR.58, 59 and 67).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the financial performance of the United Nations Interim Administration Mission in Kosovo for the period from 10 June 1999 to 30 June 2000 (A/55/724);

(b) Report of the Secretary-General on the budget for the Mission for the period from 1 July 2001 to 30 June 2002 (A/55/833);

(c) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/55/874 and Add.6).

II. Consideration of draft resolution A/C.5/55/L.68

4. At the 67th meeting, on 25 May, the representative of Norway and coordinator of the informal consultations on this item introduced, on behalf of the Chairman, a

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draft resolution entitled "Financing of the United Nations Interim Administration Mission in Kosovo" (A/C.5/55/L.68).

5. At the same meeting, the Committee adopted draft resolution A/C.5/55/L.68 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Interim Administration Mission in Kosovo

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Interim Administration Mission in Kosovo[1] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[2]

Bearing in mind Security Council resolution 1244 (1999) of 10 June 1999 regarding the establishment of the United Nations Interim Administration Mission in Kosovo,

Recalling its resolution 53/241 of 28 July 1999 on the financing of the Mission and its subsequent resolutions thereon, the latest of which was resolution 55/227 of 23 December 2000,

Acknowledging the complexity of the Mission,

Reaffirming the general principles underlying the financing of United Nations peacekeeping operations as stated in General Assembly resolutions 1874 (S-IV) of 27 June 1963, 3101 (XXVIII) of 11 December 1973 and 55/235 of 23 December 2000,

Noting with appreciation that voluntary contributions have been made to the Mission by certain Governments,

Mindful of the fact that it is essential to provide the Mission with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolution of the Security Council,

1. *Takes note* of the status of contributions to the United Nations Interim Administration Mission in Kosovo as at 30 April 2001, including the contributions outstanding in the amount of 202.4 million United States dollars, representing 24 per cent of the total assessed contributions from the inception of the Mission to the period ending 30 June 2001, notes that some 20 per cent of the Member States have paid their assessed contributions in full, and urges all other Member States concerned, in particular those in arrears, to ensure payment of their outstanding assessed contributions;

[1] A/55/724 and A/55/833.

[2] A/55/874 and Add.6.

2. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full;

3. *Expresses concern* about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

4. *Urges* all other Member States to make every possible effort to ensure payment of their assessed contributions to the Mission in full and on time;

5. *Expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

6. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

7. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

8. *Reiterates its request* to the Secretary-General to make the fullest possible use of facilities and equipment at the United Nations Logistics Base at Brindisi, Italy, in order to minimize the costs of procurement for the Mission;

9. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[3] in particular paragraph 9, and requests the Secretary-General to ensure their full implementation;

10. *Expresses concern* about the high level of unliquidated obligations in the Mission as at 30 June 2000;

11. *Requests* the Secretary-General to improve the timeliness and accuracy of the expenditure data within the Mission;

12. *Approves*, on an exceptional basis, the special arrangements for the Mission with regard to the application of article IV of the financial regulations of the United Nations, whereby appropriations required in respect of obligations owed to Governments providing formed units and/or logistic support to the Mission shall be retained beyond the period stipulated under financial regulations 4.3 and 4.4, as set out in the annex to the present resolution;

13. *Requests* the Secretary-General to take all necessary action to ensure that the Mission is administered with a maximum of efficiency and economy;

14. *Also requests* the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Mission against General Service posts, commensurate with the requirements of the Mission;

15. *Decides* to appropriate the amount of 413,361,800 dollars gross (385,256,870 dollars net) for the maintenance of the Mission for the period from 1 July 2001 to 30 June 2002, inclusive of the amount of 12,098,009 dollars gross

[3] A/55/874/Add.6.

(10,617,193 dollars net) for the support account for peacekeeping operations and the amount of 1,263,791 dollars gross (1,134,877 dollars net) for the United Nations Logistics Base, to be apportioned among Member States in accordance with the levels set out in General Assembly resolution 55/235, as adjusted by the Assembly in its resolution 55/236 of 23 December 2000, the scale of assessments for 2001[4] to be applied against a portion thereof, that is, 206,680,900 dollars gross (192,628,435 dollars net), which is the amount pertaining to the period ending 31 December 2001, and the scale of assessments for 2002[4] to be applied against the balance, that is, 206,680,900 dollars gross (192,628,935 dollars net) for the period from 1 January to 30 June 2002;

16. *Decides also* that in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 13 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 28,104,930 dollars approved for the Mission for the period from 1 July 2001 to 30 June 2002;

17. *Decides further* that, for Member States that have fulfilled their financial obligations to the Mission, there shall be set off against the apportionment, as provided for in paragraph 13 above, their respective share of the unencumbered balance of 65,272,000 dollars gross (57,860,300 dollars net) in respect of the period ending 30 June 2000, in accordance with the composition of groups as set out in paragraphs 3 and 4 of General Assembly resolution 43/232 of 1 March 1989 and as adjusted by the Assembly in subsequent relevant resolutions and decisions for the ad hoc apportionment of peacekeeping appropriations, the latest of which were resolution 52/230 of 31 March 1998 and decisions 54/456, 54/457 and 54/458 of 23 December 1999 for the period 1998-2000, and taking into account the scale of assessments for the year 2000, as set out in its resolutions 52/215 A of 22 December 1997 and 54/237 A of 23 December 1999;

18. *Decides* that, for Member States that have not fulfilled their financial obligations to the Mission, their share of the unencumbered balance of 65,272,000 dollars gross (57,860,300 dollars net) in respect of the period ending 30 June 2000 shall be set off against their outstanding obligations in accordance with the scheme set out in paragraph 15 above;

19. *Emphasizes* that no peacekeeping mission shall be financed by borrowing funds from other active peacekeeping missions;

20. *Encourages* the Secretary-General to continue to take additional measures to ensure the safety and security of all personnel under the auspices of the United Nations participating in the Mission;

21. *Invites* voluntary contributions to the Mission in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure and practices established by the General Assembly;

22. *Decides* to include in the provisional agenda of its fifty-sixth session the item entitled "Financing of the United Nations Interim Administration Mission in Kosovo".

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[4] See resolution 55/5 B.

Annex

Special arrangements with regard to the application of article IV of the financial regulations of the United Nations

1. At the end of the twelve-month period provided for in financial regulation 4.3, any unliquidated obligations of the financial period in question relating to goods supplied and services rendered by Governments for which claims have been received or which are covered by established reimbursement rates shall be transferred to accounts payable; such accounts shall remain recorded in the Special Account for the United Nations Interim Administration Mission in Kosovo until payment is effected.

2. In addition:

(a) Any other unliquidated obligations of the financial period in question owed to Governments for provision of goods and services rendered but not yet verified, as well as other obligations owed to Governments, for which claims have not yet been received shall remain valid for an additional period of four years following the end of the twelve-month period provided for in regulation 4.3;

(b) Claims received during this four-year period as well as approved verification reports shall be treated as provided for under paragraph 1 of the present annex, if appropriate;

(c) At the end of the additional four-year period, any unliquidated obligations shall be cancelled and the then remaining balance of any appropriations retained therefore shall be surrendered.